



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
[www.uspto.gov](http://www.uspto.gov)

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/020,728	10/29/2001	Seth P. Becker	BEC-0041	9760
7590	10/20/2003		EXAMINER	
CANTOR COLBURN LLP 55 Griffin Road South Bloomfield, CT 06002				KALINOWSKI, ALEXANDER G
		ART UNIT	PAPER NUMBER	
		3626		

DATE MAILED: 10/20/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No. <b>10/020,728</b>	Applicant(s) <b>Becker et al.</b>	
Examiner <b>Alexander Kalinowski</b>	Art Unit <b>3626</b>	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

1)  Responsive to communication(s) filed on Jul 31, 2003.

2a)  This action is FINAL.      2b)  This action is non-final.

3)  Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

### Disposition of Claims

4)  Claim(s) 2-9, 11-14, 16-22, and 24-27 is/are pending in the application.

4a) Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

5)  Claim(s) \_\_\_\_\_ is/are allowed.

6)  Claim(s) 2-9, 11-14, 16-22, and 24-27 is/are rejected.

7)  Claim(s) \_\_\_\_\_ is/are objected to.

8)  Claims \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

9)  The specification is objected to by the Examiner.

10)  The drawing(s) filed on \_\_\_\_\_ is/are a)  accepted or b)  objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11)  The proposed drawing correction filed on \_\_\_\_\_ is: a)  approved b)  disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.

12)  The oath or declaration is objected to by the Examiner.

### Priority under 35 U.S.C. §§ 119 and 120

13)  Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)  All b)  Some\* c)  None of:

1.  Certified copies of the priority documents have been received.
2.  Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3.  Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\*See the attached detailed Office action for a list of the certified copies not received.

14)  Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

a)  The translation of the foreign language provisional application has been received.

15)  Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

### Attachment(s)

1) <input type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s). _____	6) <input type="checkbox"/> Other: _____

Art Unit: 3626

## **DETAILED ACTION**

1. Claims 2-9, 11-14, 16-22 and 24-27 are presented for examination. Of original claims 1-27 filed on 10/29/2001. Applicant canceled claims 1, 10, 15, and 23 and amended claims 2-9, 11-14, 16-22, 24, and 27. In light of Applicant's amendments and arguments, the Examiner withdraws the rejection of claims 1-27 based on 35 USC 102 and 35 USC 103. New grounds of rejection are established for claims 2-9, 11-14, 16-22 and 24-27 based on 35 USC 103 as set forth in detail below.

### *Specification*

2. The abstract of the disclosure is objected to because the abstract contains more than 150 words. Correction is required. See MPEP § 608.01(b).

### *Claim Rejections - 35 USC §101*

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requires of this title.

Claim 26 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

Art Unit: 3626

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, the instant claims fail to recite the use of any type of technology (e.g. computer system) within the recited steps of the claimed method of providing services related to jewelry. The recited steps constitute an idea on how to provide services related to jewelry.

Mere intended or nominal use of a component, albeit within the technological arts, does not confer statutory subject matter to an otherwise abstract idea if the component does not apply, involve, use, or advance the underlying process.

Additionally, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result. In the present case the claimed method recites steps for creating a managing insurance policy backed securities.

Although the claimed invention produces a useful, concrete and tangible result, since the claimed invention as a whole is not within the technological arts, as explained above, claim 26 are deemed to be directed to non statutory subject matter. The Examiner suggests incorporating recitations

Art Unit: 3626

related to the technological arts (i.e. processor, database) within the claimed limitations of claim 26.

***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 2, 3, 5, 8, 9, 11, 13-22, 24 and 27 rejected under 35 U.S.C. 103(a) as being unpatentable over Becker et al., Pat. No. 5,983,238 (hereinafter Becker) in view of "Insure your Reputation: Introducing GemShield, Private Insurance from IJB" (hereinafter GemShield).

As to claim 11, Becker discloses a system for providing registration services and loss protection services related to marked jewelry (see abstract), comprising: a database for registering said marked jewelry (i.e. diamond registration)((col. 4, lines 37-45); and a loss protection system in communication with said database for bundling said registration service with said loss protection services related to said marked jewelry (i.e. police, insurance companies, store owners ... may contact the central headquarters)(col. 4, lines 8-36).

Becker does not explicitly disclose wherein said loss protection services are bundled with said registration services before transfer of ownership of a jewelry item to a consumer.

However, GemShield discloses said loss protection services are bundled with said registration services before transfer of ownership of a jewelry item to a consumer (i.e. value

Art Unit: 3626

added)(page 4). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include said loss protection services are bundled with said registration services before transfer of ownership of a jewelry item to a consumer as disclosed by GemShield within Becker for the motivation of assuring customers that any loss will be replaced by the trusted jeweler (page 4).

Becker and GemShield do not explicitly disclose a cost of said loss protection services bundled with said registration services being included in a cost of the marked jewelry item to the consumer.

However, GemShield discloses that the cost of insuring jewelry is assumed by the retailer (i.e. value added)(page 4). Such costs would presumably be passed on to the customer that are reflected in the price of the jewelry item in the form of a markup. The reason for marking up the price of the jewelry item would have been to include any and all overhead costs associated with the jewelry item to insure a sufficient profit margin for the retailer. It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include a cost of said loss protection services bundled with said registration services being included in a cost of the marked jewelry item to the consumer within Becker and GemShield for the motivation stated above.

As to claim 2, Becker discloses the system of claim 11 wherein said database includes ownership data related to said marked jewelry (i.e. col. 4, lines 37-40).

Art Unit: 3626

As to claim 3, Becker discloses the system of claim 11 wherein said database includes distinguishing characteristics of said marked jewelry for tracking and identification purposes (col. 3, lines 37-40).

As to claim 5, Becker discloses the system of claim 11 wherein said database includes value of said marked jewelry (Fig. 10).

As to claim 8, Becker discloses the system of claim 11 wherein said loss protection systems provides said database with transfer of ownership data (col. 5, lines 9-18).

As to claim 9, Becker discloses the system of claim 11 wherein said loss protection systems provides said database with occurrence of events relating to said marked jewelry including one of theft, loss, destruction and recovery (Fig. 15).

As to claim 13, Becker discloses the system of claim 11 wherein the database and the loss protection system are implemented by the same system (see abstract).

As to claim 14, Becker discloses the system of claim 11 wherein the database includes an identification of marking on the marked jewelry item (Fig. 2).

As to claim 24, Becker discloses a method for providing registration services and loss protection services related to marked jewelry (see abstract), comprising:  
initiating said registration services by registering a marked jewelry item in a database (i.e. diamond registration)((col. 4, lines 37-45);  
initiating said loss protection services (see abstract);

Art Unit: 3626

bundling the registration services with the loss protection services (i.e. police, insurance companies, store owners ... may contact the central headquarters)(see Fig. 15, Fig. 16, and col. 4, lines 8-36);

providing the bundled registration services and loss protection services to a consumer (col. 4, lines 21-24); and,

updating said database upon an occurrence of an event relating to said marked jewelry item (col. 5, lines 9-18).

Becker does not explicitly disclose wherein said loss protection services are bundled with said registration services before transfer of ownership of a jewelry item to a consumer.

However, GemShield discloses said loss protection services are bundled with said registration services before transfer of ownership of a jewelry item to a consumer (i.e. value added)(page 4). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include said loss protection services are bundled with said registration services before transfer of ownership of a jewelry item to a consumer as disclosed by GemShield within Becker for the motivation of assuring customers that any loss will be replaced by the trusted jeweler (page 4).

Becker and GemShield do not explicitly disclose a cost of said loss protection services bundled with said registration services being included in a cost of the marked jewelry item to the consumer.

Art Unit: 3626

However, GemShield discloses that the cost of insuring jewelry is assumed by the retailer (i.e. value added)(page 4). Such costs would presumably be passed on to the customer that are reflected in the price of the jewelry item in the form of a markup. The reason for marking up the price of the jewelry item would have been to include any and all overhead costs associated with the jewelry item to insure a sufficient profit margin for the retailer. It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include a cost of said loss protection services bundled with said registration services being included in a cost of the marked jewelry item to the consumer within Becker and GemShield for the motivation stated above.

As to claim 16, Becker discloses the method of claim 24 wherein the updating said database occurs upon one of a transfer of ownership, loss, destruction, theft, damage, recovery and settlements initiated (Fig. 15).

As to claim 17, Becker discloses the method of claim 24 wherein terms of loss protection services include identification information for said marked jewelry item (Fig. 4).

As to claim 18, Becker discloses the method of claim 24 wherein terms of loss protection services include a value of said marked jewelry item (Fig. 10).

As to claim 19, Becker discloses the method of claim 24 wherein terms of loss protection services include ownership information related to said marked jewelry item (Fig. 11).

As to claim 20, Becker discloses the method of claim 24 wherein said marked jewelry item includes a jewelry item that has been marked with an identification marking (Fig. 2).

Art Unit: 3626

As to claim 21, Becker discloses the method of claim 24 wherein said database is a commercial database accessible by authorized entities (col. 4, lines 21-26).

As to claim 22, the method of claim 24 wherein said initiating said loss protection service agreement includes collecting activation information and transferring said activation information to a provider of said loss protection services.

As to claim 27, Becker discloses the method of claim 24 wherein the registration services and the loss protection services are provided by the same entity (see abstract).

5. Claim 4 is rejected under 35 U.S.C. 103(a) as being unpatentable over Becker and GemShield as applied to claim 1 above, and further in view of Examiner's use of Official Notice.

As to claim 4, Becker does not explicitly disclose the system of claim 1 wherein said database includes fees collected and owed.

However, the Examiner takes official notice that it was well known in the electronic billing arts to track billing information including fees collected and owed. Such a system provides the means for determining how much is owed, how much is paid for a particular product or service. For example, student loans are processed on an monthly basis. Billing information includes the amount owed and principal paid. It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include said database includes fees collected and owed within Becker for the motivation stated above.

Art Unit: 3626

6. Claims 6-7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Becker and GemShield as applied to claim 11 above, and further in view of "Personal Jewelry Insurance"(hereinafter Jewelers Mutual).

As to claim 6, Becker and GemShield do not explicitly disclose the system of claim 11 wherein said loss protection systems provides said database with policy data relating to coverage terms selected.

However, GemShield discloses providing policy data relating to coverage terms selected (page 1). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include said loss protection systems provides said database with policy data relating to coverage terms selected as disclosed by Jewelers Mutual within Becker and GemShield for the motivation of providing protection commensurate with the level of coverage obtained (i.e. we provide loss, theft, and damage protection. Some homeowners policies are limited in coverage ...)(page 1).

As to claim 7, Becker and GemShield do not explicitly disclose the system of claim 11 wherein said loss protection systems provides said database with updated inspection data relating to said marked jewelry.

However, Becker discloses updating the database with respect to the registered marked jewelry. Furthermore, GemShield discloses requiring inspections relating to said jewelry (page 1). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include said loss protection systems provides said database with updated inspection data

Art Unit: 3626

relating to said marked jewelry as disclosed by Jewelers Mutual within Becker and GemShield for the motivation of acknowledging required inspections for the marked jewelry.

7. Claim 12 rejected under 35 U.S.C. 103(a) as being unpatentable over Becker and GemShield as applied to claim 11 above, and further in view of “S&P Assigns Jewelers Mutual insurance ‘BBBpi’ Rating”(hereinafter S&P).

As to claim 12, Becker does not explicitly disclose the system of claim 11 wherein a wholesaler includes the registration services and loss protection services in the cost of the jewelry item.

However, GemShield discloses including the registration services and loss protection services in the cost of the jewelry item as explained previously in claim 11 (i.e. value added)(page 4). It would have been obvious to one of ordinary skill in the art at the time of Applicant’s invention to include the registration services and loss protection services in the cost of the jewelry item as disclosed by GemShield within Becker for the motivation of assuring customers that any loss will be replaced by the trusted jeweler (page 4).

Becker and GemShield do not explicitly disclose the wholesaler transferring the jewelry item to at least one entity prior to the consumer obtaining the jewelry item.

Art Unit: 3626

However, S&P discloses the wholesaler transferring the jewelry item to at least one entity prior to the consumer obtaining the jewelry item (i.e. wholesalers, retailers, ...)(see abstract). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include the wholesaler transferring the jewelry item to at least one entity prior to the consumer obtaining the jewelry item as disclosed by S&P within the Becker and GemShield combination for the motivation of providing coverage for the commercial jewelry industry and for individuals who own jewelry (see abstract).

8. Claims 25-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Becker in view of S&P and GemShield.

As to claims 25 and 26, Becker discloses a method for providing registration services related to marked jewelry, comprising:

registering a marked jewelry item in a database (i.e. diamond registration)((col. 4, lines 37-45); the marked jewelry item being transferred to at least one additional entity (col. 7, lines 49-51); and,

the database being updated to indicate transfers of the marked jewelry item (col. 7, lines 49-51).

Becker does not explicitly disclose

a wholesaler initiating said registration services and

the marked jewelry item being transferred from the wholesaler to at least one additional entity;

Art Unit: 3626

However, S&P discloses a wholesaler initiating said registration services (page 1).

Furthermore, S&P discloses the marked jewelry item being transferred from the wholesaler to at least one additional entity (i.e. wholesalers, retailers, ...)(see abstract). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include a wholesaler initiating said registration services and the marked jewelry item being transferred from the wholesaler to at least one additional entity as disclosed by Mutual Insurance and within Becker for the motivation of providing coverage for the commercial jewelry industry (page 1).

Becker and S&P do not explicitly disclose

including the cost of the registration services in a cost of the marked jewelry item.

However, GemShield discloses including the registration services in the cost of the jewelry item as explained in claim 11 above (i.e. value added)(page 4). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include the registration services in the cost of the jewelry item as disclosed by GemShield within the Becker and S&P combination for the motivation of assuring customers that any loss will be replaced by the trusted jeweler (page 4).

### *Conclusion*

9. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure

Art Unit: 3626

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Alexander Kalinowski, whose telephone number is (703) 305-2398. The examiner can normally be reached on Monday to Thursday from 9:00 AM to 6:30 PM. In addition, the examiner can be reached on alternate Fridays.

If any attempt to reach the examiner by telephone is unsuccessful, the examiner's supervisor, Joseph Thomas, can be reached on (703) 305-9588. The fax telephone number for this group is (703) 872-9306 (for official communications including After Final communications labeled "Box AF").

Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, VA, 7th Floor, receptionist.



Alexander Kalinowski

Patent Examiner

Art Unit 3626

October 19, 2003